Agenda Date: 5/19/15 Agenda Item: IXA



STATE OF NEW JERSEY Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, New Jersey 08625-0350 www.nj.gov/bpu/

MINUTES OF THE REGULAR MEETING OF THE BOARD OF PUBLIC UTILITIES

A Regular Board meeting of the Board of Public Utilities was held on April 15, 2015, at the State House Annex, Committee Room 16, 125 West State Street, Trenton, New Jersey 08625.

Public notice was given pursuant to <u>N.J.S.A.</u> 10:4-18 by posting notice of the meeting at the Board's Trenton Office, on the Board's website, filing notice of the meeting with the New Jersey Department of State and the following newspapers circulated in the State of New Jersey:

Asbury Park Press
Atlantic City Press
Burlington County Times
Courier Post (Camden)
Home News Tribune (New Brunswick)
North Jersey Herald and News (Passaic)
The Record (Hackensack)
The Star Ledger (Newark)
The Trenton Times

The following members of the Board of Public Utilities were present:

Richard S. Mroz, President Joseph L. Fiordaliso, Commissioner Mary-Anna Holden, Commissioner Dianne Solomon, Commissioner Upendra J. Chivukula, Commissioner

President Mroz presided at the meeting and Kenneth J. Sheehan, Secretary of the Board and Carmen D. Diaz, Assistant Secretary of the Board, carried out the duties of the Secretary.

It was announced that the next regular Board Meeting would be held on May 19, 2015 at the State House Annex, Committee Room 11, 125 West State Street, Trenton, New Jersey 08625.

CONSENT AGENDA

I. AUDITS

A. Docket No. TE15020263 – In the Matter of the Verified Petition of Intrado Communications, Inc. for Authorization to Provide Facilities-Based Local Exchange and Interexchange Telecommunications Services in the State of New Jersey.

This matter was deferred.

B. Docket No. TE15030280 – In the Matter of the Verified Petition of Metro Fiber Company, LLC d/b/a Axiom Fiber Networks for Authorization to Provide Facilities-Based Local Exchange, Interexchange and Private Line Telecommunications Services in the State of New Jersey.

BACKGROUND: By letter dated March 4, 2015, Metro Fiber Company LLC, d/b/a Axiom Fiber Networks (Petitioner or Axiom) filed a Petition with the Board requesting authority to provide facilities-based local exchange, interexchange and private line telecommunications services in the State of New Jersey.

Axiom also requested a waiver of N.J.S.A. 48:3-7.8 and N.J.A.C. 14:1-4.3, which requires that books and records be kept within the State of New Jersey and be maintained in accordance with the Uniform System of Accounts (USOA), respectively. The Petitioner stated, upon written notice from the Board and/or Board Staff, it will provide its books and records at such time and place within New Jersey as the Board may designate and will pay any reasonable expenses for examination of the records.

By letter dated March 10, 2015, the New Jersey Division of Rate Counsel submitted comments with the Board stating that, based on its review, "Rate Counsel is satisfied that the Petition meets the regulatory requirements and is consistent with the public interest, convenience, and necessity. In addition, Rate Counsel does not object to a grant of the waivers requested by the Petitioner, nor does Rate Counsel oppose Petitioner's request to treat its financial information as confidential and placed under seal."

After review, Staff recommended that the Board approve the request for authority to provide local exchange, interexchange and private line telecommunications services in the State of New Jersey. Staff also recommended the Board approve the request for waivers from its requirements that the Petitioner maintain its books and records in accordance with the USOA and within New Jersey.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye
Commissioner Fiordaliso Aye
Commissioner Holden Aye
Commissioner Solomon Aye
Commissioner Chivukula Aye

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|----|---|---|---------------|--|--|
| C. | | gregator and/or Energy Consultant Initial Reg | | | |
| | EE14101087L | Delaware Valley Energy Solutions | I – EA | | |
| | EE14091021L | Premier Energy Management, LLC | I – EA | | |
| | EE14101190L | The Energy Alliance, LLC | I – EA | | |
| | EE15030275L | Ara Consulting Group, LLC | I – EA/PA/EC | | |
| | GE15030276L | d/b/a Commercial Power | | | |
| | EE14080929L | Muirfield Energy, Inc. | I – EA/PA/EC | | |
| | GE14080930L | | | | |
| | EE14121396L | KNL Consulting, LLC | I – EA/EC | | |
| | GE14121397L | | | | |
| | EE15020249L | Intelligen Resources, LP | I – EA/PA/EC | | |
| | GE15020257L | | | | |
| | Energy Agent, Private Aggregator and/or Energy Consultant Renewal Registrations | | | | |
| | EE14090945L | Hovey Energy, LLC | R – EA | | |
| | EE14070728L | SourceOne, Incorporated (DE) | R – EA/PA/EC | | |
| | GE14070729L | odurceone, incorporated (DL) | N - LAII A/LO | | |
| | EE14080917L | Pennell & Wiltberger, Inc. | R – EA/PA | | |
| | GE14080918L | d/b/a PWI Engineering, Inc. | N - LA/FA | | |
| | EE14091070L | Good Energy, L.P. | R – EA/PA/EC | | |
| | GE14091071L | d/b/a Good Energy Consulting Group, L. | | | |
| | EE14101243L | America Approved Commercial, LLC | R – EA/EC | | |
| | GE14101243L | America Approved Commercial, LLC | R - EA/EC | | |
| | | Advisors Energy Crown LLC | D EA/EC | | |
| | EE14101239L | Advisors Energy Group, LLC | R – EA/EC | | |
| | GE14101240L | | | | |
| | Electric Power and/or Nat | ural Gas Supplier Initial Licenses | | | |
| | EE14060571L | ResCom Energy, LLC | I – ESL | | |
| | EE15030385L | Constellation Energy Services, Inc. | I – ESL | | |
| | GE15030384L | Constellation Energy Svs-Natural Gas, I | | | |
| | EE14070769L | Frontier Utilities Northeast, LLC | I – EGSL | | |
| | GE14070770L | | | | |
| | EE15030352L | Direct Energy Business, LLC | I – EGSL | | |
| | GE15030353L | , 3, | | | |
| | EE15030350L | Gateway Energy Services Corp. | I – EGSL | | |
| | GE15030351L | ошена, <u>-</u> негу, селисе селр | | | |
| | EE15030348L | Direct Energy Small Business, LLC | I – EGSL | | |
| | GE15030349L | zoct zorg, oa zuemete, zze | | | |
| | EE15030374L | Greenlight Energy, Inc. | I – EGSL | | |
| | GE15030375L | Groomight Energy, mor | | | |
| | EE14101246L | Agera Energy, LLC | I – EGSL | | |
| | GE14101247L | Agora Energy, EEO | · LOOL | | |
| | V=171V127/2 | | | | |
| | Electric Power and/or Natural Gas Supplier Renewal Licenses | | | | |
| | EE14040341L | Viridian Energy PA, LLC | R – EGSL | | |
| | GE14040342L | | | | |
| | EE15030365L | Direct Energy Services, LLC | R – EGSL | | |
| | GE15030366L | | | | |
| | GE14080925L | SouthStar Energy Services, LLC | R – GSL | | |
| | | d/b/a New Jersey Energy (NJE) | | | |
| | | , ,, | | | |

BACKGROUND: The Board must register all energy agents and consultants, and the Board must license all third party electric power suppliers and gas suppliers. An electric power supplier, gas supplier, or clean power marketer license shall be valid for one year from the date of issue, except where a licensee has submitted a complete renewal application at least 30 days before the expiration of the existing license, in which case the existing license shall not expire until a decision has been reached upon the renewal application. An energy agent, private aggregator or energy consultant registration shall be valid for one year from the date of issue. Annually thereafter, licensed electric power suppliers, gas suppliers, and clean power marketers, as well as energy agents and private aggregators, are required to renew timely their licenses in order to continue to do business in New Jersey.

Having reviewed the submitted applications in accord with N.J.A.C. 14:4-5.4, Staff recommended that the Board issue initial registrations as an energy agent, private aggregator and/or energy consultant for one year to:

- Delaware Valley Energy Solutions
- Premier Energy Management LLC
- The Energy Alliance, LLC
- Ara Consulting Group, LLC d/b/a Commercial Power
- Muirfield Energy, Inc.
- KNL Consulting LLC
- Intelligen Resources LP

In addition, Staff recommended that the following applicants be issued renewal registrations as an energy agent, private aggregator and/or energy consultant for one year:

- Hovey Energy, LLC
- SourceOne, Inc. (DE)
- Pennell & Wiltberger Inc. d/b/a PWI Engineering Inc.
- Good Energy, L.P. d/b/a Good Energy Consulting Group, L.P.
- America Approved Commercial, LLC
- Advisors Energy Group LLC

Staff also recommended that the following applicants be issued an initial license as an electric power and/or natural gas supplier for one year:

- ResCom Energy, LLC
- Constellation Energy Services, Inc.
- Constellation Energy Services Natural Gas, LLC
- Frontier Utilities Northeast, LLC
- Direct Energy Business, LLC
- Gateway Energy Services Corporation
- Direct Energy Small Business, LLC
- Greenlight Energy Inc.
- Agera Energy, LLC

Staff further recommended that the following applicants be issued a renewal license as an electric power and/or natural gas supplier for one year:

- Viridian Energy PA, LLC
- Direct Energy Services, LLC
- SouthStar Energy Services LLC d/b/a New Jersey Energy (NJE)
- Global Energy Marketing LLC

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye Commissioner Chivukula Aye

II. ENERGY

A. Docket No. GE14101147 – In the Matter of the Petition of South Jersey Gas Company for Approval of a Municipal Consent in the City of Brigantine, Atlantic County, New Jersey.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On October 9, 2014, South Jersey Gas Company (SJG or Company) filed a petition requesting that the Board approve the municipal consent adopted by the City of Brigantine.

New Jersey Division of Rate Counsel (Rate Counsel), in its written comments to the petition dated February 5, 2015, indicated that it did not object to the Company's petition, and noted that the term of the municipal consent related to the use of streets is limited to fifty years. However, Rate Counsel requested that approval of the petition include certain restrictions.

After review, Staff recommended that the Board approve the municipal consent granted to SJG without modification.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye

B. Docket No. GE14101148 – In the Matter of the Petition of South Jersey Gas Company for Approval of a Municipal Consent in the City of Absecon, Atlantic County, New Jersey.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On October 14, 2014, South Jersey Gas Company (SJG or Company), filed a petition requesting that the Board approve the municipal consent adopted by the City of Absecon.

The New Jersey Division of Rate Counsel (Rate Counsel), in its written comments to the petition dated February 13, 2015, indicated that it did not object to the Company's petition, and noted that the term of the municipal consent related to the use of streets is limited to ten years. However, Rate Counsel requested that approval of the petition include certain restrictions.

After review, Staff recommended that the Board approve the municipal consent granted to SJG without modification.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye
Commissioner Fiordaliso Aye

Commissioner Holden Aye Commissioner Solomon Aye

C. Docket No. GE14091049 – In the Matter of the Petition of South Jersey Gas Company for Approval of a Municipal Consent in the Borough of Clementon, Camden County, New Jersey.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On September 25, 2014, South Jersey Gas Company (SJG or Company) filed a petition requesting that the Board approve the municipal consent adopted by the Borough of Clementon.

New Jersey Division of Rate Counsel (Rate Counsel), in its written comments to the petition dated February 5, 2015, indicated that it did not object to the Company's petition, and noted that the term of the municipal consent related to the use of streets is limited to fifty years. However, Rate Counsel requested that approval of the petition include certain restrictions.

After review, Staff recommended that the Board approve the municipal consent granted to SJG without modification.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye

D. Docket No. GE14091050 – In the Matter of the Petition of South Jersey Gas Company for Approval of a Municipal Consent in the City of Estell Manor, Atlantic County, New Jersey.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On September 25, 2014, South Jersey Gas Company (SJG or Company) filed a petition requesting that the Board approve the municipal consent adopted by the City of Estell Manor.

New Jersey Division of Rate Counsel (Rate Counsel), in its written comments to the

petition dated February 5, 2015, indicated that it did not object to the Company's petition, and noted that the term of the municipal consent related to the use of streets is limited to fifty years. However, Rate Counsel requested that approval of the petition include certain restrictions.

After review, Staff recommended that the Board approve the municipal consent granted to SJG without modification.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye
Commissioner Fiordaliso Aye
Commissioner Holden Aye
Commissioner Solomon Aye

E. Docket No. GE14091051 – In the Matter of the Petition of South Jersey Gas Company for Approval of a Municipal Consent in the Borough of Clayton, Gloucester County, New Jersey.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On September 25, 2014, South Jersey Gas Company (SJG or Company) filed a petition requesting that this Board approve the municipal consent adopted by the Borough of Clayton.

New Jersey Division of Rate Counsel (Rate Counsel), in its written comments to the petition dated February 13, 2015, did not object to the Board's approval of the municipal consents granted by the Borough. However, it recommended that the Board condition its approval on the limitation of the municipal consent as to the furnishing of service to a reasonable period not to exceed fifty years, and that any Order approving the consents reserve ratemaking issues for future proceedings. Rate Counsel maintains that grants in perpetuity are not favored under New Jersey law, and under N.J.S.A. 48:2-14, the Board can impose conditions on its approvals, including limiting the consent to a reasonable term.

After review, Staff recommended that the Board approve the municipal consent granted to SJG without modification.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye
Commissioner Fiordaliso Aye
Commissioner Holden Aye
Commissioner Solomon Aye

F. Docket No. GE14091052 – In the Matter of the Petition of South Jersey Gas Company for Approval of a Municipal Consent in the Township of Elk, Gloucester County, New Jersey.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On September 25, 2014, South Jersey Gas Company (SJG or Company) filed a petition requesting that this Board approve the municipal consent adopted by the Township of Elk.

New Jersey Division of Rate Counsel (Rate Counsel), in its written comments to the petition dated February 5, 2015, indicated that it did not object to the Company's petition, and noted that the term of the municipal consent related to the use of streets is limited to fifty years. However, Rate Counsel requested that approval of the petition include certain restrictions.

After review, Staff recommended that the Board approve the municipal consent granted to SJG without modification.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye
Commissioner Fiordaliso Aye
Commissioner Holden Aye
Commissioner Solomon Aye

G. Docket No. GE14091053 – In the Matter of the Petition of South Jersey Gas Company for Approval of a Municipal Consent in the Borough of Buena, Atlantic County, New Jersey.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On September 25, 2014, South Jersey Gas Company (SJG or Company) filed a petition requesting that this Board give its approval to the municipal consent adopted by the Borough of Buena.

New Jersey Division of Rate Counsel (Rate Counsel), in its written comments to the petition dated February 5, 2015, indicated that it did not object to the Company's petition, and noted that the term of the municipal consent related to the use of streets is limited to fifty years. However, Rate Counsel requested that approval of the petition include certain restrictions.

After review, Staff recommended that the Board approve the municipal consent granted to SJG without modification.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye
Commissioner Fiordaliso Aye
Commissioner Holden Aye
Commissioner Solomon Aye

H. Docket No. GE14091054 – In the Matter of the Petition of South Jersey Gas Company for Approval of a Municipal Consent in the City of Bridgeton, Cumberland County, New Jersey.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On September 25, 2014, South Jersey Gas Company (SJG or Company) filed a petition requesting that this Board approve the municipal consent adopted by the City of Bridgeton.

New Jersey Division of Rate Counsel (Rate Counsel), in its revised written comments to the petition dated February 13, 2015, did not object to the Board's approval of the municipal consents. However, it recommended that the Board condition its approval on the limitation of the consent as to the furnishing of service to a reasonable period not to exceed fifty years, and that any Order approving the consents reserve ratemaking issues for future proceedings. Rate Counsel maintains that grants in perpetuity are not favored under New Jersey law, and under N.J.S.A. 48:2-14, the Board can impose conditions on its approvals, including limiting the consent to a reasonable term.

After review, Staff recommended that the Board approve the municipal consent granted to SJG without modification.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye

I. Docket No. GE14091055 – In the Matter of the Petition of South Jersey Gas Company for Approval of a Municipal Consent in the Borough of Gibbsboro, Camden County, New Jersey.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On September 25, 2014, South Jersey Gas Company (SJG or Company) filed a petition requesting that this Board approve the municipal consent adopted by the Borough of Gibbsboro.

The New Jersey Division of Rate Counsel (Rate Counsel), in its written comments to the petition dated February 5, 2015, indicated that it did not object to the Company's petition, and noted that the term of the municipal consent related to the use of streets is limited to fifty years. However, Rate Counsel requested that approval of the petition include certain restrictions.

After review, Staff recommended that the Board approve the municipal consent granted to SJG without modification.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye J. Docket No. GE14091056 – In the Matter of the Petition of South Jersey Gas Company for Approval of a Municipal Consent in Carneys Point Township, Salem County, New Jersey.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On September 25, 2014, South Jersey Gas Company (SJG or Company) filed a petition requesting that the Board approve the municipal consent adopted by Carneys Point Township.

The New Jersey Division of Rate Counsel (Rate Counsel), in its written comments to the petition dated February 5, 2015, indicated that it did not object to the Company's petition, and noted that the term of the municipal consent related to the use of streets is limited to fifty years. However, Rate Counsel requested that approval of the petition include certain restrictions.

After review, Staff recommended that the Board approve the municipal consent granted to SJG without modification.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye
Commissioner Fiordaliso Aye
Commissioner Holden Aye
Commissioner Solomon Aye

K. Docket No. GE14091057 – In the Matter of the Petition of South Jersey Gas Company for Approval of a Municipal Consent in Deerfield Township, Cumberland County, New Jersey.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On September 25, 2014, South Jersey Gas Company (SJG or Company) filed a petition requesting that the Board approve the municipal consent adopted by the Township of Deerfield.

The New Jersey Division of Rate Counsel (Rate Counsel), in its written comments to the petition dated February 5, 2015, indicated that it did not object to the Company's petition, and noted that the term of the municipal consent related to the use of streets is limited to fifty years. However, Rate Counsel requested that approval of the petition include certain restrictions.

After review, Staff recommended that the Board approve the municipal consent granted to SJG without modification.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye
Commissioner Fiordaliso Aye
Commissioner Holden Aye
Commissioner Solomon Aye

L. Docket No. GE14091058 – In the Matter of the Petition of South Jersey Gas Company for Approval of a Municipal Consent in the Borough of Folsom, Atlantic County, New Jersey.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On September 25, 2014, South Jersey Gas Company (SJG or Company) filed a petition requesting that the Board approve the municipal consent adopted by the Borough of Folsom.

The New Jersey Division of Rate Counsel (Rate Counsel), in its written comments to the petition dated February 5, 2015, indicated that it did not object to the Company's petition, and noted that the term of the municipal consent related to the use of streets is limited to fifty years. However, Rate Counsel requested that approval of the petition include certain restrictions.

After review, Staff recommended that the Board approve the municipal consent granted to SJG without modification.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye
Commissioner Fiordaliso Aye
Commissioner Holden Aye
Commissioner Solomon Aye

M. Docket No. ER14040370 – In the Matter of the Provision of Basic Generation Service for the Period Beginning June 1, 2015.

BACKGROUND: Commissioner Chivukula recused himself from this matter. Beginning on February 6, 2015 and ending on February 10, 2015, two descending clock auctions were initiated to secure the Basic Generation Service (BGS) electricity requirements of Atlantic City Electric Company (ACE), Jersey Central Power & Light Company (JCP&L), Public Service Electric and Gas Company (PSE&G) and Rockland Electric Company (RECO) (collectively, EDCs).

At its public agenda meeting held on February 12, 2015, the Board certified the results of the Auctions for BGS Residential and Small Commercial Pricing and Commercial Industrial Energy Price supply and ancillary services. The Board also directed the EDCs to 1) execute the necessary documents with the winning bidders, including the BGS Supplier Master Agreements; 2) implement the BGS rates resulting from the Auctions beginning June 1, 2015; and 3) file revised tariff sheets reflecting the BGS rates resulting from the Auction by March 1, 2015.

Consistent with the Board's directive, ACE, JCP&L, PSE&G and RECO filed revised tariffs to become effective on June 1, 2015 that incorporated the changes resulting from the recently completed auction process.

After review, Staff recommended that the Board approve the tariff filings of ACE, JCP&L and PSE&G and direct Staff to notify interested parties through the Secretary's letter. Staff further recommended that the Board direct ACE, JCP&L and PSE&G to post the

approved tariffs on their respective websites.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye

III. CABLE TELEVISION

A. Docket No. CE14121423 – In the Matter of the Petition of CSC TKR, LLC d/b/a Cablevision of Raritan Valley for a Renewal Certificate of Approval to Continue to Operate and Maintain a Cable Television System in the Township of Green Brook, County of Somerset, State of New Jersey.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On November 14, 2013, the Township of Green Brook (Township) granted CSC TKR, LLC d/b/a Cablevision of Raritan Valley (Cablevision) renewal municipal consent for a term of ten years from the date of issuance of the Renewal Certificate of Approval. On December 1, 2014, Cablevision accepted the terms and conditions of the ordinance, and on December 23, 2014, Cablevision filed a petition with the Board for its Renewal Certificate of Approval for the Township.

After review, Staff recommended approval of the proposed Renewal Certificate of Approval.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye

B. Docket No. CR14101255 – In the Matter of Cablevision of Monmouth, LLC (Seaside) for Approval of the Filing of FCC Form 1240, an Annual Updating of the Maximum Permitted Rate for the Regulated Basic Cable Service Using the Optional Expedited Rate Procedures.

BACKGROUND: Commissioner Chivukula recused himself from this matter. Cablevision of Monmouth, LLC (Seaside) (Petitioner) filed Federal Communications Commission (FCC) Form 1240 with the Board seeking approval of inflation, channel change, programming cost and copyright fee adjustments for a total increase in the Maximum Permitted Rate (MPR) of 3.2% for the period of February 1, 2015 to January 31, 2016.

Cable operators that elect the annual rate adjustment method (FCC Form 1240) must file for approval of these rates as required by 47 <u>C.F.R.</u> § 76.922. Pursuant to the FCC's Thirteenth Order of Reconsideration, "Operators that elect annual rate adjustments may change their filings from year to year, but at least 12 months must pass before the

operator can implement its next annual adjustment."

Staff recommended that the Board adopt the Stipulation of Final Rates in its entirety, thereby approving Petitioner's FCC Form 1240 adjusting Petitioner's MPR for the basic service tier from \$13.16 to \$13.59 per month. However, the actual bill will reflect no change in the basic (operator selected) rate of \$13.96.

This rate is correctly calculated using the FCC's benchmark methodology and is for the period from February 1, 2015 to January 31, 2016.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye

C. Docket No. CR14101256 – In the Matter of Cablevision of New Jersey, LLC (Bergen) for Approval of the Filing of FCC Form 1240, an Annual Updating of the Maximum Permitted Rate for the Regulated Basic Cable Service Using the Optional Expedited Rate Procedures.

BACKGROUND: Commissioner Chivukula recused himself from this matter. Cablevision of New Jersey, LLC. (Bergen) (Petitioner) filed Federal Communications Commission (FCC) Form 1240 with the Board seeking approval of inflation, channel change, programming cost and copyright fee adjustments for a total increase in the Maximum Permitted Rate (MPR) of 3.9 % for the period of February 1, 2015 to January 31, 2016.

Cable operators that elect the annual rate adjustment method (FCC Form 1240) must file for approval of these rates as required by 47 <u>C.F.R.</u> § 76.922. Pursuant to the FCC's Thirteenth Order of Reconsideration, "Operators that elect annual rate adjustments may change their filings from year to year, but at least 12 months must pass before the operator can implement its next annual adjustment."

Staff recommended that the Board adopt the Stipulation of Final Rates in its entirety, thereby approving Petitioner's FCC Form 1240 adjusting Petitioner's MPR for the basic service tier from \$15.21 to \$15.80 per month. However, the actual bill will reflect no change in the basic (operator selected) rate of \$14.58.

This rate is correctly calculated using the FCC's benchmark methodology and is for the period from February 1, 2015 to January 31, 2016.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Ave

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye D. Docket No. CR14101257 – In the Matter of Cablevision of Oakland, LLC for Approval of the Filing of FCC Form 1240, an Annual Updating of the Maximum Permitted Rate for the Regulated Basic Cable Service Using the Optional Expedited Rate Procedures.

BACKGROUND: Commissioner Chivukula recused himself from this matter. Cablevision of Oakland, LLC (Petitioner) filed Federal Communications Commission (FCC) Form 1240 with the Board seeking approval of inflation, programming cost, channel change and copyright fee adjustments for a total increase in the Maximum Permitted Rate (MPR) of 1.3% for the period of February 1, 2015 to January 31, 2016.

Cable operators that elect the annual rate adjustment method (FCC Form 1240) must file for approval of these rates as required by 47 <u>C.F.R.</u> § 76.922. Pursuant to the FCC's Thirteenth Order of Reconsideration, "Operators that elect annual rate adjustments may change their filings from year to year, but at least 12 months must pass before the operator can implement its next annual adjustment."

Staff recommended that the Board adopt the Stipulation of Final Rates in its entirety, thereby approving Petitioner's FCC Form 1240 adjusting Petitioner's MPR for the basic service tier from \$11.13 to \$11.27 per month. However, the actual bill will reflect no change in the basic (operator selected) rate of \$12.18.

This rate is correctly calculated using the FCC's benchmark methodology and is for the period from February 1, 2015 to January 31, 2016.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye

E. Docket No. CR14101258 – In the Matter of CSC TKR, LLC d/b/a Cablevision of Morris for Approval of the Filing of FCC Form 1240, an Annual Updating of the Maximum Permitted Rate for the Regulated Basic Cable Service Using the Optional Expedited Rate Procedures.

BACKGROUND: Commissioner Chivukula recused himself from this matter. CSC TKR, LLC d/b/a Cablevision of Morris (Petitioner) filed Federal Communications Commission (FCC) Form 1240 with the Board seeking approval of inflation, channel change, programming cost and copyright fee adjustments for a total increase in the Maximum Permitted Rate (MPR) of 3.1% for the period of February 1, 2015 to January 31, 2016.

Cable operators that elect the annual rate adjustment method (FCC Form 1240) must file for approval of these rates as required by 47 <u>C.F.R.</u> § 76.922. Pursuant to the FCC's Thirteenth Order of Reconsideration, "Operators that elect annual rate adjustments may change their filings from year to year, but at least 12 months must pass before the operator can implement its next annual adjustment."

Staff recommended that the Board adopt the Stipulation of Final Rates in its entirety, thereby approving the Petitioner's FCC Form 1240 adjusting Petitioner's MPR for the basic service tier from \$10.87 to \$11.21 per month. However, the actual bill will reflect no change in the basic (operator selected) rate of \$11.75.

This rate is correctly calculated using the FCC's benchmark methodology and is for the period from February 1, 2015 to January 31, 2016.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye
Commissioner Fiordaliso Aye
Commissioner Holden Aye
Commissioner Solomon Aye

F. Docket No. CR14101259 – In the Matter of CSC TKR, LLC d/b/a Cablevision of Raritan Valley for Approval of the Filing of FCC Form 1240, an Annual Updating of the Maximum Permitted Rate for the Regulated Basic Cable Service Using the Optional Expedited Rate Procedures.

BACKGROUND: Commissioner Chivukula recused himself from this matter. CSC TKR, LLC d/b/a Cablevision of Raritan Valley (Petitioner) filed Federal Communications Commission (FCC) Form 1240 with the Board seeking approval of inflation, channel change, programming cost and copyright fee adjustments for a total decrease in the Maximum Permitted Rate (MPR) of 1.1% for the period of February 1, 2015 to January 31, 2016.

Cable operators that elect the annual rate adjustment method (FCC Form 1240) must file for approval of these rates as required by 47 <u>C.F.R.</u> § 76.922. Pursuant to the FCC's Thirteenth Order of Reconsideration, "Operators that elect annual rate adjustments may change their filings from year to year, but at least 12 months must pass before the operator can implement its next annual adjustment."

Staff recommended that the Board adopt the Stipulation of Final Rates in its entirety, thereby approving Petitioner's FCC Form 1240 adjusting Petitioner's MPR for the basic service tier from \$10.08 to \$9.97 per month. However, the actual bill will reflect no change in the basic (operator selected) rate of \$10.14.

This rate is correctly calculated using the FCC's benchmark methodology and is for the period from February 1, 2015 to January 31, 2016.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye
Commissioner Fiordaliso Aye
Commissioner Holden Aye
Commissioner Solomon Aye

G. Docket No. CR14101260 – In the Matter of Cablevision Systems Corporation for Approval of the Filing of FCC Form 1205 Determining Regulated Equipment and Installation Costs Using the Optional Expedited Rate Procedures.

BACKGROUND: Commissioner Chivukula recused himself from this matter. Cablevision Systems Corporation (Petitioner) filed Federal Communications Commission (FCC) Form 1205 with the Board seeking approval of certain changes in its regulated equipment and installation rates for the period of February 1, 2015 to January 31, 2016.

Cable operators that elect the annual rate adjustment method (FCC Forms 1240 & 1205) must file for approval of these rates as required by 47 <u>C.F.R.</u> § 76.922. Pursuant to the FCC's Thirteenth Order of Reconsideration, "Operators that elect annual rate adjustments may change their filings from year to year, but at least 12 months must pass before the operator can implement its next annual adjustment."

Staff recommended that the Board adopt the Stipulation of Final Rates in its entirety, thereby approving Petitioner's FCC Form 1205 adjusting Petitioner's regulated equipment and installation rates.

These rates are correctly calculated using the FCC's benchmark methodology and are for the period from February 1, 2015 to January 31, 2016.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye Commissioner Fiordaliso Aye

Commissioner Holden Aye
Commissioner Solomon Aye

H. Docket No. CE14030235 – In the Matter of the Petition of Comcast of South Jersey, LLC for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Township of Weymouth, County of Atlantic, State of New Jersey.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On February 20, 2013, the Township of Weymouth (Township) adopted an ordinance granting renewal municipal consent to Comcast of South Jersey, LLC (Comcast). On March 6, 2013, Comcast formally accepted the terms and conditions of the ordinance, and on March 10, 2014, Comcast filed with the Board for a renewal of its Certificate of Approval for the Township.

After review, Staff recommended approval of the proposed Renewal Certificate of Approval.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye

IV. TELECOMMUNICATIONS

A. Docket No. TF15020239 – In the Matter of the Verified Petition of Level 3 Communications, LLC for Approval to Participate in a Financing Arrangement.

BACKGROUND: On February 18, 2015, Level 3 Communications, LLC (Petitioner) filed a petition with the Board requesting approval to the extent necessary, to participate in a financing arrangement in connection with the issuance by Financing of \$500 million in 5.625% Senior Notes due 2023 in a private offering to qualified institutional buyers that is exempt from registration under U.S. Federal securities laws.

Financing has lent the proceeds it received in the offering of the Senior Notes plus available cash to Level 3 LLC in return for an intercompany demand note. Level 3 LLC requests Board approval for the intercompany demand note issued to Financing, in connection with the proceeds of the \$500 million in Senior Notes, to remain unpaid for more than 12 months from the date of issuance.

The proceeds along with cash on hand were Used to redeem all of Financing's outstanding 9.375% senior notes due 2019 and to pay the expenses of the offering. Level 3 LLC requests approval from the Board to act as a guarantor of the \$500 million Senior Notes issued by Financing.

The Office of the Economist, after review of the information submitted in this proceeding, found that the action requested is in accordance with the law and in the public interest and therefore recommended approval.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye
Commissioner Fiordaliso Aye
Commissioner Holden Aye
Commissioner Solomon Aye
Commissioner Chivukula Aye

V. WATER

A. Docket No. WR15020269 – In the Matter of the Petition of United Water Toms River, Inc. for Approval of an Increase in Rates for Water Service and Other Tariff Charges.

BACKGROUND: Commissioner Chivukula recused himself from this matter. This petition was filed by United Water Toms River, Inc. (UWTR) with the Board on February 27, 2015, with rates proposed to become effective for service on March 31, 2015. UWTR requested approval of a rate increase for water service in the amount of \$5,208,512 or approximately 16.85%.

On March 13, 2015, UWTR filed a letter stating that it will not implement rates on an interim basis prior to the effective date of the Board's Suspension Order resulting from the Board's April 15, 2015 Agenda Meeting. This revised date of April 15, 2015 is more

than thirty days from UWTR's February 27, 2015 rate case filing date. Although the effective date of March 31, 2015 to April 25, 2015 is being revised, the four month suspension period will still run from March 31, 2015 through July 31, 2015.

This matter was transmitted to the Office of Administrative Law on March 4, 2015. An Administrative Law Judge will be assigned and hearings will proceed accordingly. Staff recommended that the Board issue an Order suspending the rates until July 31, 2015.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye
Commissioner Fiordaliso Aye
Commissioner Holden Aye
Commissioner Solomon Aye

VI. RELIABILITY & SECURITY

There were no items in this category.

VII. CUSTOMER ASSISTANCE

A. Docket Nos. BPU EC13080722U and OAL PUC 13473-13 – In the Matter of Karen Robinson, Petitioner v. Public Service Electric and Gas Company, Respondent – OAL Request for Extension.

BACKGROUND: Commissioner Chivukula recused himself from this matter. The record in this matter was closed on August 11, 2014. By previous order(s) of extension, the due date for issuing an initial decision was extended to March 19, 2015. This extension request was not submitted by that date and is submitted now <u>nunc pro tunc</u> due to inadvertent over sight. Administrative Law Judge Elia A. Pelios requested additional time to complete the initial decision due to a voluminous caseload.

Good cause having been shown, pursuant to <u>N.J.S.A.</u> 52:14B-10(c) and <u>N.J.A.C.</u> 1:1-18.8, Staff recommended the time for filing the initial decision be extended until May 4, 2015.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye
Commissioner Fiordaliso Aye
Commissioner Holden Aye
Commissioner Solomon Aye

B. Docket Nos. BPU WC14060612U and OAL PUC 13174-14 – In the Matter of Shams Mirkhani, Petitioner v. United Water New Jersey, Inc., Respondent – Billing Dispute.

BACKGROUND: Commissioner Chivukula recused himself from this matter. The Initial Decision of the Administrative Law Judge was received by the Board on March 13, 2015; therefore, the 45 day statutory period for review and the issuing of a Final Decision will expire on April 27, 2015. Prior to that date, the Board requested an additional 45-day extension of time for issuing the Final Decision in order to adequately review the record in this matter.

Good cause having been shown, pursuant to <u>N.J.S.A.</u> 52:14B-10(c) and <u>N.J.A.C.</u> 1:1-18.8, Staff recommended that the time limit for the Board to render a Final Decision be extended until June 11, 2015.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye

C. Docket Nos. BPU EC14111335U and OAL PUC 01537-15 – In the Matter of Reoney LLC, Petitioner v. Public Service Electric and Gas Company, Respondent. – Billing Dispute.

BACKGROUND: Commissioner Chivukula recused himself from this matter. This matter involved a billing dispute between Reoney LLC, (Petitioner) and Public Service Electric and Gas Company (PSE&G). The petition was transmitted to the Office of Administrative Law on January 23, 2015, as a contested case. Administrative Law Judge (ALJ) Sandra Ann Robinson filed an Initial Decision in this matter with the Board on March 4, 2015, approving a Stipulation of Settlement (Settlement) of the parties.

Pursuant to the terms of the Settlement, and in order to fully resolve this matter, PSE&G agreed to credit the Petitioner's account number ending in 95118 in the amount of \$299.91.

The Board, at its discretion, has the option of accepting, modifying or rejecting the Initial Decision of ALJ Robinson. Staff recommended that the Board adopt the Initial Decision.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye D. Docket Nos. BPU EC14101215U and OAL PUC 01083-15 – In the Matter of Sheldon and Corrine Myers, Petitioners v. Public Service Electric and Gas Company, Respondent – Billing Dispute.

BACKGROUND: Commissioner Chivukula recused himself from this matter. This matter involved a billing dispute between Sheldon & Corrine Myers, (Petitioner) and Public Service Electric and Gas Company (PSE&G). The petition was transmitted to the Office of Administrative Law on January 16, 2015, as a contested case. Administrative Law Judge (ALJ) Elia A. Pelios, filed an Initial Decision in this matter with the Board on April 1, 2015, approving a Stipulation of Settlement (Settlement) of the parties.

Pursuant to the terms of the Settlement, the parties have agreed that PSE&G will credit the Petitioner's account in the amount of \$953.00 leaving a remaining arrearage balance due of \$93.35 plus current bills.

The Board, at its discretion, has the option of accepting, modifying or rejecting the Initial Decision of ALJ Pelios. Staff recommended that the Board adopt the Initial Decision.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye
Commissioner Fiordaliso Aye
Commissioner Holden Aye
Commissioner Solomon Aye

VIII. CLEAN ENERGY

There were no items in this category.

IX. MISCELLANEOUS

A. Approval of the Minutes of the March 18, 2015 Agenda Meeting.

BACKGROUND: Staff presented the minutes of Board meeting of March 18, 2015 and recommended that they be accepted.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye
Commissioner Fiordaliso Aye
Commissioner Holden Aye
Commissioner Solomon Aye
Commissioner Chivukula Aye

AGENDA

1. AUDITS

There were no items in this category.

2. ENERGY

A. Docket No. ER14040370 – In the Matter of the Provision of Basic Generation Service for the Period Beginning June 1, 2015 – Rockland Electric Company's Request for Proposal.

Frank Perrotti, FERC PJM Issues Manager, presented this matter.

BACKGROUND AND DISCUSSION: On February 5, 2015, after discussions with Board Staff and its Basic Generation Service (BGS) consultant the Boston Pacific Company, Inc. (Boston Pacific), Rockland Electric Company (RECO) filed an amended proposal to secure the full service requirements for BGS customers in its Central and Western Divisions, for the period commencing June 1, 2015 (RECO Filing).

Staff, in consultation with Boston Pacific, has reviewed the RECO Filing as part of the method of satisfying the Company's supply requirements for its non-PJM service areas within New Jersey for the supply period of June 1, 2015 to May 31, 2018. Both Staff and Boston Pacific recommended that the Board approve the RECO Filing with the following modifications:

- Staff recommended that for the Capacity Transaction that it shall only be implemented for the period June 1, 2015 to May 31, 2016. Further, Staff recommended that RECO be directed to make a monthly compliance filing with the Board indicating the prices paid for capacity from the markets administered by the New York Independent System Operator (NYISO) when RECO completes the Capacity Transaction for the BGS customers located in its Central and Western Divisions in the NYISO monthly capacity market.
- 2. In the event that Energy Transaction as proposed by RECO the default procurement process to be implemented, Staff recommended that RECO be directed to purchase the physical electric supply needed to meet its full service obligations from markets administered by the NYISO, and flow those prices through to BGS customers. Further, Staff recommended the default procurement for energy shall only be implemented for the period June 1, 2015 to May 31, 2016. Similarly, Staff recommended that RECO also be directed to make a monthly compliance filing with the Board indicating the prices paid for energy from markets administered by the NYISO.

Upon final approval of the RECO auction results, Staff recommended that RECO be directed to make a compliance filing including tariff sheets reflecting BGS-RSCP rates to be implemented on June 1, 2015 within 5 business days of the Board Agenda meeting designated to review the auction results. Staff further recommended that the Board authorize Staff, if after reviewing RECO's compliance filing including the required tariff sheets Staff finds the filing satisfies

the directives in this Order, to request that the Board Secretary issue a compliance letter of approval.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye Commissioner Chivukula Aye

Jerome May, Director, Division of Energy, presented these matters.

B. Docket No. GR14070656 – In the Matter of the Petition of Public Service Electric and Gas Company to Revise Its Weather Normalization Charge for the 2014-2015 Annual Period.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. Public Service Electric and Gas Company (Company), New Jersey Division of Rate Counsel, and Board Staff entered into a Settlement for the Final Weather Normalization Charge Rates (Settlement), dated March 19, 2015, agreeing that the Company's provisional Weather Normalization Charge credit rate of 3.3965 cents per balancing therm, approved by the Board on September 30, 2014, applicable to Residential Service Gas, General Service Gas and Large Volume Gas Customers, should be determined "final".

Staff recommended that the Board approve the Settlement.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye

C. Docket No. GR14030266 – In the Matter of Rate Schedule CSG Transportation Service Agreement Between Public Service Electric and Gas Company and Homasote Company and the Potential Discount of Societal Benefits Charges – Request for Correction to Board Order.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On March 20, 2014, Public Service Electric and Gas Company (PSE&G or Company), filed a letter with the Board seeking approval of the Rate Schedule Contract Service Gas (CSG) Transportation Service Agreement (Service Agreement) between PSE&G and the Homasote Company (Homasote). In addition, Homasote requested to have the Societal Benefits Charge discounted.

By Order dated December 17, 2014, the Board approved the Service Agreement. In its findings, the Board stated the following:

Similarly, the Board notes that the agreement does not include a provision for Homasote to pay the Green Programs Recovery Charge (GPRC). Therefore, the Board <u>FINDS</u> that as a provision of approving the contract, Homasote shall be precluded from participating in, and receiving funds, from any PSE&G energy efficiency or solar program whose costs are recovered in the GPRC.

By letter dated February 18, 2015, the Company requested that the December 17, 2014 Order be corrected to remove the above language. In addition, PSE&G asserted that the Board's restriction on Homasote's participation in the PSE&G Green Programs is based upon the assumption that the Service Agreement did not require Homasote to pay the GPRC. Accordingly, PSE&G suggested that since the Service Agreement contemplates payment of these charges, the restriction on Homasote participating in PSE&G's Green Programs is not appropriate.

Staff recommended that the Board issue an Order modifying its December 17, 2014 Order to acknowledge that the Service Agreement did include a provision for payment of the GPRC, as well as all other current and future CSG tariff charges except as otherwise determined by the Board. Staff also recommended that the Board find that, in consideration of the total rate to be paid by Homasote, that the GPRC shall not be applicable to usage under the Service Agreement.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye

D. Docket Nos. BPU GR14050511 and OAL PUC 16107-14 – In the Matter of the Petition of Public Service Electric and Gas Company's 2014/2015 Annual Margin Adjustment Charge Filing Under Its Periodic Pricing Mechanism and for Changes in the Tariff for Gas Service.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. Public Service Electric and Gas Company (Company) filed a petition with the Board on May 29, 2014, projecting that, based on actual results through April 2014, the Company's net Margin Adjustment Charge (MAC) balance including cumulative interest at September 30, 2014 would approximate an over-recovery of \$24.96 million. This translated to a justified increase in the MAC credit rate from 0.4587 cents per therm to a credit rate of 1.1403 cents per therm effective for service on and after October 1, 2014. Based on rates in effect as of July 1, 2014, the Company's typical residential gas heating customers using 160 therms in a winter month and 1,050 therms annually would experience a decrease in their annual bills of \$7.18 (0.67%).

On September 3, 2014, the Company, the Division of Rate Counsel and Board Staff (the Parties) executed a Stipulation of Settlement (Settlement) that provided the Company's proposed MAC credit rate be changed to a 1.1403 cents per therm on a provisional basis, with the Board so ordering on September 30, 2014.

Following further review, on March 24, 2015, the Parties agreed that the provisional MAC credit rate of 1.1403 cents per therm be made "final".

On March 27, 2015, Administrative Law Judge, Tiffany Williams issued her Initial Decision approving the Settlement.

Staff recommended that the Board adopt the Initial Decision and Settlement for final PSE&G's MAC rates effective on the date of the Board Order in this matter.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye

E. Docket Nos. BPU GR14050512 and OAL PUC 16108-14 – In the Matter of Public Service Electric and Gas Company's 2014/2015 Annual Basic Gas Supply Service Commodity Charge Filing for Its Residential Gas Customers Under Its Periodic Pricing Mechanism.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. Public Service Electric and Gas Company (Company) filed a petition with the Board on May 29, 2014 requesting a decrease to its Basic Gas Supply Service (BGSS) default commodity rate for Residential Service from 54.4051 cents per therm to 45.1880 cents per therm, tied to the Company's projection of a \$105.0 million decrease in BGSS revenues needed to recover its costs for BGSS service during the 2014-2015 BGSS year.

A stipulation providing for the provisional rate of 45.1880 cents per therm was approved by the Board in its Order dated September 30, 2014.

On March 27, 2015, Administrative Law Judge Tiffany M. Williams issued an Initial Decision approving the Stipulation finding that the Parties, which included the New Jersey Division of Rate Counsel, and Board Staff had voluntarily agreed to the terms of the Stipulation and that the Stipulation fully disposes of all matters and is consistent with law.

After review of the Initial Decision and the Stipulation of the Parties, Staff found them to be reasonable and in the public interest, and recommended that the Board approve the Initial Decision and the Stipulation of the Parties.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye F. Docket No. ER14070832 – In the Matter of Atlantic City Electric Company's Verified Petition to Reconcile the Initial Four Year Term of Residential Controllable Smart Thermostat Program and to Reduce Its Regional Greenhouse Gas Initiative Recovery Charge for the Period June 1, 2014 through May 31, 2015.

BACKGROUND AND DISCUSSION: On July 31, 2014, Atlantic City Electric Company (Company, ACE) filed a petition with the Board to reconcile the results of the four year initial implementation of the Residential Controllable Small Thermostat Program (RCSTP or the Program) (Reconciliation Petition). Based upon the data provided in support of the reconciliation of the initial four year implementation costs for the RCSTP, as well as the status of PJM revenue credits associated with the RCSTP, and the final accounting of the Federal Stimulus Award monies associated with the RCSTP received by the Company, the Reconciliation Petition requested a further reduction in the current Regional Greenhouse Gas Recovery (RGGI) charge of \$0.000010 per kWh for the RCSTP to \$0.00000 per kWh.

During the course of the instant petition, ACE advised the Parties that it wishes to submit a bid in the upcoming Base Residual Auctions (BRAs) scheduled to be conducted in May 2015, which auction has a performance period commencing on June 1, 2018 and continuing through May 31, 2019. However, that performance period is beyond the current Board authorized termination date for the RCSTP. The Company has indicated that, without an extension of the RCSTP covering the performance period for the May 2015 BRA, it will not submit a bid in that auction. Furthermore, to submit a bid in the May 2015 BRA, it must submit the requisite documents to PJM on or about April 15, 2015.

The RCSTP is a demand response program in which residential customers with central air conditioner units or heat pumps voluntarily allow Atlantic City Electric Company to cycle such systems during periods of peak electricity demand, thereby helping to increase reliability of the electric distribution system.

Since approval of the Reconciliation Petition would not result in a rate increase, but rather a rate decrease to customers, no public hearing was required. After several discovery and settlement conferences, the Parties which included the Company, New Jersey Division of Rate Counsel and the Board Staff, reached a settlement in this matter. On April 2, 2015, the Parties executed a Stipulation which extends the RCSTP to May 31, 2019. In the Stipulation the parties agreed to the further reduction in the current RGGI charge of \$0.000010 per kwh for the RCSTP to \$0.00000 per kWh.

Staff recommended that the Board issue an order approving the Stipulation of the Parties.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye
Commissioner Fiordaliso Aye
Commissioner Holden Aye
Commissioner Solomon Aye
Commissioner Chivukula Aye

G. Docket No. EM15020244 – In the Matter of the Petition of Public Service Electric and Gas Company for Approval of the Sale and Conveyance of Real Property Located on 9 Larikat Lane, Sparta, New Jersey with a Municipal Tax Map Designation of Block 1003 Lot 45, in the Borough of Sparta, County of Sussex, State of New Jersey, to Achille and Linda Gaetano for the Sum of \$600,000.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On February 20, 2015, Public Service Electric and Gas Company (PSE&G) filed a petition with the Board seeking approval of a Contract for Sale and Conveyance of Real Estate Property located at 9 Larikat Lane in Sparta Township, Sussex County, New Jersey (Property), to Achille and Linda Gaetano for the sum of \$600,000.00. Additionally, PSE&G requested the Board to grant a waiver of the requirement to advertise this property.

According to the petition, the Property is a residential cul-de-sac with single family residential development. Due to its unique location, the road was the only access PSE&G could use to construct the new Hopatcong Switching Station (the Station) which was part of the Susquehanna-Roseland Project. PSE&G acquired 4 and 6 Larikat Lane in order to access the location of the Station. Due to the use of heavy construction vehicles along Larikat Lane which sometimes blocked ingress and egress to the family residing at 9 Larikat Lane, PSE&G acquired that Property as well. It was communicated to Board Staff throughout construction that the Property would be sold once the Project was completed. The Project has been completed, the substation is operational and the Property is now no longer used and useful for utility purposes.

On September 2, 2014, PSE&G listed the Property in the Multiple Listing Service (MLS) and has been actively marketing the Property using a residential real estate broker. On February 19, 2015, PSE&G signed the Contract with the Purchaser for the purchase price of \$600,000. In January 23, 2015, an independent appraisal set the fair market value of the Property at \$570,000. Due to the Purchaser pending sale on its current residential home, the closing had been scheduled for March 26, 2015, conditioned upon approval by the Board.

By letter dated March 31, 2015, New Jersey Division of Rate Counsel (Rate Counsel) stated that it did not object to the sale of the Property or to the waiver for advertisement. However, Rate Counsel requested the right to examine the ratemaking and accounting treatment of the transaction in the context of the Company's next base rate case or other appropriate proceeding.

Staff recommended Board approval of the Contract and of the waiver to advertise the Property.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye
Commissioner Fiordaliso Aye

Commissioner Holden Aye Commissioner Solomon Aye

H. Docket Nos. BPU GR14060537 and OAL PUC 16113-14 – In the Matter of the Petition of New Jersey Natural Gas Company for the Annual Review and Revision of Its Basic Gas Supply Service and Conservation Incentive Program Factors for Fiscal Year 2015.

BACKGROUND AND DISCUSSION: On March 25, 2015, New Jersey Natural Gas Company (the Company), Rate Counsel and Staff (collectively, the Parties) entered into a Stipulation for Final Rates agreeing that the previously approved provisional after-tax per therm rates should be made final, namely:

- 1) the Company's Periodic BGSS rate of 48.04 cents;
- 2) the Company's balancing charge rate of 7.50 cents; and
- 3) the following CIP rates:

A credit of 3.27 cents for Residential Non-Heat customers;

A credit of 2.32 cents for Residential Heat customers:

A charge of 1.02 cents for Small Commercial customers; and

A charge of 2.86 cents for Large Commercial customers.

On April 2, 2015, Administrative Law Judge McGee issued an Initial Decision and recommended Board approval of the Stipulation.

Staff recommended that the Board approve the Initial Decision and the Stipulation of the Parties.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye Commissioner Chivukula Aye

 Docket No. ER1501003 – In the Matter of the Federal Energy Items for 2015 – FERC Docket No. ELI5-31-000 – PJM Interconnection, LLC – Reply to Answer to Request for Rehearing.

BACKGROUND AND DISCUSSION: On December 15, 2014, PJM filed a petition with Federal Energy Regulatory Commission (FERC) to raise the existing energy market offer cap for the 2014 - 2015 winter months. The proposed Reliability Pricing Model redesign and energy market offer cap increase proposal together imply the potential for tens of billions in increased electricity prices to PJM customers in the near term.

Staff recommended the Board to intervene in this matter.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye Commissioner Chivukula Aye J. Docket No. AX13030197 – In the Matter of the Board's Establishment of a Generic Proceeding to Review Costs, Benefits and Reliability Impacts of Major Storm Event Mitigation Efforts; and

Docket No. ER14030250 – In the Matter of the Verified Petition of Rockland Electric Company for Establishment of a Storm Hardening Surcharge.

BACKGROUND AND DISCUSSION: On March 16, 2015, Rockland Electric Company (Company) filed a petition with the Board for approval to implement various incremental storm hardening and resiliency proposals and for approval of a rate mechanism to recover the costs of those proposals. The Company developed the proposals set forth in the petition to support and protect the Company's infrastructure so that it may better withstand major storm events. In order to recover the costs associated with these proposals, the Company requests Board approval of a Storm Hardening Surcharge. The five-year (2016-2020) Storm Hardening Program calls for \$61.1 million in capital spending and \$4.2 million in operation and maintenance expenses.

Staff recommended that the Board retain this matter for hearing at the Board, and designated Commissioner Holden as the Presiding Officer for proceedings on this matter, delegating the authority to grant a single extension of the review period, if requested. This would avoid delays in processing the matter, including the approval of a schedule. Staff further recommended that the Board direct any entities seeking to intervene in this matter to file the appropriate application with the Board by June 5, 2015.

DECISION: The Board adopted the recommendation of the Staff as modified from the bench to revise Commissioner Mary-Anna Holden's name in the Order.

| Roll Call Vote: | President Mroz Commissioner Fiordaliso Commissioner Holden | |
|-----------------|--|-------------------|
| | Commissioner Solomon Commissioner Chivukula | Aye Aye Aye |

K. Docket No. GR15030272 – In the Matter of the Petition of Public Service Electric and Gas Company for Approval of a Gas System Modernization Program and Associated Cost Recovery Mechanism.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On February 27, 2015, Public Service Electric and Gas Company (Company) filed a petition with the Board, seeking approval to implement and administer the Gas System Modernization Program (GSMP) and to approve an associated cost recovery mechanism. The Company plans to spend up to \$1.594 billion in GSMP investments across its gas service territory over 5.5 years. The implementation of the GSMP will complete projects to replace cast iron and unprotected steel mains and services, the abandonment of district regulators associated with this cast iron and unprotected steel plant, and the relocation of inside meter sets. The Company proposed to implement the same cost-recovery methodology and rate design as used for Energy Strong Program, including: annual "roll-in" filings base on investment through May 31, with no deferred return or deferred depreciation for rates effective September 1. An after-tax weighted average cost of capital of 6.32% based on a Return on Equity of

9.75% and a cost of debt of 4.60%.

Staff recommended that the Board retain this matter for hearing at the Board, and designated Commissioner Fiordaliso as the Presiding Officer for proceedings on this matter, delegating the authority to grant a single extension of the review period, if requested. This would avoid delays in processing the matter, including the approval of a schedule. Staff further recommended that the Board direct any entities seeking to intervene in this matter to file the appropriate application with the Board by June 5, 2015.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye

3. CABLE TELEVISION

A. Docket No. CO11090534 – In the Matter of Verizon New Jersey, Inc. for Relief of a Requirement to Extend Its FiOS TV Service to Certain Multiple Dwelling Unit Properties Located in Municipalities Where Extension of FiOS TV Service is Required Under the Terms of Its System-wide Franchise.

Lawanda R. Gilbert, Acting Director, Office of Cable Television, presented this matter.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On September 9, 2011, Verizon New Jersey, Inc. (Verizon) filed a petition with the Board seeking relief of its requirement to extend its FiOS service to certain residential multi-unit dwelling (MDU) properties located within municipalities where extension of its FiOS TV service is required under the terms of its system-wide franchise.

This matter centers on the attempt by Verizon to gain access to a series of Multiple Dwelling Unit (MDU) properties within its service territory to provide competitive cable television service to the tenants / residents of said properties. Under the terms of its system-wide franchise, Verizon is obligated to, among other things, extend its FiOS TV services to residents of MDU properties in communities where it is providing service. The law does, however, provide that Verizon may seek relief from this requirement should it be unable to serve a particular MDU property because it has been denied access to the building due to a claimed exclusive arrangement with another cable television company, or Verizon cannot access the building using its standard technical solutions, under commercially reasonable terms and conditions, after good faith negotiation.

Verizon claimed that each of the subject properties falls under one of these allowable exceptions and accordingly seeks to be relieved from its requirement to extend service to their residents. Verizon contended that it has been unable to negotiate access to serve the subject properties using its standard technical solutions, under commercially

reasonable terms and conditions after good faith negotiations and therefore seeks relief pursuant to N.J.A.C. 14:18-15.3(a) 1-2.

On February 5, 2013, Rate Counsel submitted a letter to the Board indicating that it did not object to a grant of Verizon's waiver request.

On June 5, 2012, Verizon amended its petition to withdraw 13 of the 108 properties from its waiver request and proceed with the remainder. On October 11, 2012, Verizon further amended its petition to withdraw two additional properties from its waiver request; on February 5, 2013, Verizon further amended its petition to withdraw one additional property; on September 3, 2013, Verizon further amended its petition to withdraw three additional properties; on October 20, 2014, Verizon further amended its petition to withdraw four additional properties; and on December 8, 2014, Verizon further amended its petition to withdraw four additional properties from its waiver request, in each case electing to proceed with the remainder. Verizon indicates that the removal of these 27 properties is appropriate at this time because sufficient progress has been made since the date of its filing in obtaining access and providing FiOS TV service to them, or due to a request from Staff for removal.

After affording the affected property owners a right to comment on Verizon's requested relief, and including the comments received in the record for Board consideration, Staff noted that the record contains sufficient grounds for approval of the requested waiver for the 81 remaining properties. Therefore, Staff recommended that the Board grant the requested relief for those properties, subject to certain conditions relating to the extension of FiOS service should access be granted or otherwise Ordered by law.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye

4. TELECOMMUNICATIONS

A. Docket No. TM15030285 – In the Matter of the Application of Verizon New Jersey, Inc. for Approval of the Sale and Conveyance of Real Property Located in the City of Newark, County of Essex, New Jersey, to 540 Broad Street Associates, L.P.

Paul Flanagan, Executive Director, presented this matter.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On March 4, 2015, Verizon New Jersey Inc. (Petitioner) filed a Petition with the Board for approval of the sale and conveyance of real property located at 540 Broad Street, City of Newark, Essex County, New Jersey (Property) to 540 Broad Street Associates, L.P. (Buyer). According to the Petition, there is no relationship between the Petitioner and the Buyer other than that of transferor and transferee.

On March 11, 2015, the New Jersey Division of Rate Counsel filed a letter indicating that

it will not file comments for Board consideration on this matter.

Staff recommended that the Board approve the Petitioner's request since the Property is not useful for any present or future purposes and the sale of the Property will not affect the ability of the company to provide safe, adequate or proper service.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye

5. WATER

A. Docket No. WF15020146 – In the Matter of the Petition of Middlesex Water Company for Approval to Issue Up to 3,000,000 Shares of Common Stock Under Its Dividend Reinvestment and Common Stock Purchase Plan.

Mark C. Beyer, Chief Economist, presented this matter.

BACKGROUND AND DISCUSSION: On February 9, 2015, Middlesex Water Company (Petitioner or Company), filed a petition with the Board requesting authority to issue and sell up to 3,000,000 shares of its Common Stock having no par value, through its Dividend Reinvestment and Common Stock Purchase Plan, to holders of record of its Common Stock.

Under this Plan, holders of record of Petitioner's Common Stock are entitled to elect to apply all or part of their dividends to the purchase of additional new issue shares of Common Stock and may also purchase said additional shares by means of optional cash payments at any time in an amount up to a total of \$25,000 per calendar quarter (minimum \$25 per payment) at a price equal to 100% of the average of the daily averages of the high and low sale prices for such shares as quoted by The NASDAQ Global Select Market for the five days on which Petitioner's Common Stock was traded on such market immediately preceding and ending on the applicable investment date or optional cash payment purchase date. The Plan also authorizes the Company to implement, from time to time, a 5% reduction in the purchase price of Common Stock for participants in the Plan.

The Company plans to use the proceeds from the sales of Common Stock pursuant to the Plan for general working capital needs, ongoing capital improvements and for other corporate purposes.

The New Jersey Division of Rate Counsel (Rate Counsel) has reviewed this matter and by letter dated March 27, 2015 requested certain language be included in the Order to satisfy Rate Counsel concerns. That language has been included.

After review, the Office of the Economist found that the action requested is in accordance with the law and in the public interest and therefore recommended approval

of this petition.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye
Commissioner Fiordaliso Aye
Commissioner Holden Aye
Commissioner Solomon Aye
Commissioner Chivukula Aye

B. Docket No. WE15010073 – In the Matter of the Petition of New Jersey American Water Company, Inc. for Approval of a Municipal Consent Granted by the Borough of Haddonfield, County of Camden – Motion to Intervene.

Maria L. Moran, Director, Division of Water, presented this matter.

BACKGROUND AND DISCUSSION: President Mroz and Commissioner Chivukula recused themselves from this matter. On January 13, 2015, New Jersey American Water (NJAW) filed a Petition with the Board for approval of a Municipal Consent Ordinance adopted by the Borough of Haddonfield, to allow NJAW to construct, lay, maintain and operate the necessary water and wastewater mains, pipes and appurtenances throughout the geographical area of Haddonfield and to provide water and wastewater services in Haddonfield.

Haddonfield currently services Haddon Township through a bulk contract for sewer service only. There are approximately 225 residential units within Haddon Township that are served through this bulk agreement that Haddonfield has with Haddon Township.

By motion papers dated February 23, 2015 and filed with the Board on March 2, 2015, Haddon Township moved to intervene. According to the motion Haddonfield did not notify Haddon Township of the Municipal Consent Ordinance granting NJAW the right to serve Haddon Township with bulk sewer service. Haddon Township believes the transfer of service will have an impact on service and current rates.

NJAW did not object to Haddon Township's motion to intervene and no other responses to the motion were received.

Staff recommended that the Board grant Haddon Township's intervention request.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: Commissioner Fiordaliso Aye Commissioner Holden Aye

Commissioner Solomon Aye

6. RELIABILITY & SECURITY

There were no items in this category.

7. CUSTOMER ASSISTANCE

There were no items in this category.

8. CLEAN ENERGY

Elizabeth Ackerman, RA+LEED AP, Acting Director, Division of Economic Development & Energy Policy, presented these matters.

A. Docket No. QO15030381 – In the Matter of the State Energy Program for Program Year July 1, 2015 through June 30, 2016.

BACKGROUND AND DISCUSSION: In this matter, the Board considered the Office of Clean Energy's 2015-2016 State Energy Program (SEP) Plan for submission to the United States Department of Energy (USDOE). The SEP is a joint state-federal initiative to promote conservation of energy, reduce the rate of growth of energy demand, and reduce dependence on imported oil through the development and implementation of comprehensive state programs that are financially supported by the USDOE.

Pursuant to USDOE regulations, New Jersey is required to match the USDOE funded amount either through cash, in-kind contributions, or both, in an amount totaling not less than 20 percent of the federal allocation, which Staff proposed to come from New Jersey Clean Energy Program (NJCEP) administrative costs. The total proposed budget is comprised of \$1,096,730.00 in new federal SEP funds allocated by USDOE, \$219,346.00 in new State matching funds, \$6,926.09 in federal SEP funds carried over from the 2014-2015 SEP Plan, and \$1,385.22 in State matching funds carried over from the 2014-2015 SEP Plan.

Therefore, Staff recommended that the Board approve the proposed 2015-2016 SEP Plan at a total budget level of \$1,324,387.3 and submit the SEP to USDOE by April 29, 2015.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye
Commissioner Fiordaliso Aye
Commissioner Holden Aye
Commissioner Solomon Aye
Commissioner Chivukula Aye

B. In the Matter of the Clean Energy Program Authorization of Commercial and Industrial Program Energy Efficiency Incentives Exceeding \$500,000:

Docket No. QO15030376 – Saker Shoprite, Inc.
Docket No. QO15030377 – 70-90 Columbus Holdings Company, LLC

BACKGROUND AND DISCUSSION: This matter included two Commercial and Industrial (C&I) Energy Efficiency Program incentives in excess of \$500,000. The applications were made by Saker ShopRite, Inc. to the Combined Heat and Power / Fuel Cells (CHP/FC) Program and by 70-90 Columbus Holdings Company, LL to the Pay for Performance (P4P) – New Construction Program.

The CHP/FC program is open to all C&I customers paying into the Societal Benefits Charge who install CHP or FC systems to further enhance energy efficiency through onsite power generation with recovery and productive use of waste heat. Saker ShopRite submitted an application for a CHP incentive of \$1,012,500 for its 82,428 square feet of supermarket space. The 450 kW CHP system to be installed at 2 Route 37 West in Toms River, NJ, will have an annual estimated annual energy cost savings of \$146,286. The estimated project cost of \$2,762,605 has an estimated 8.6 year simple payback after factoring in the incentive. This system is designed with blackstart and islanding capabilities in the event of a power outage.

The P4P New Construction Program promotes high performance buildings that achieve 15% or more energy cost savings than buildings built to the current energy code. The Columbus Holdings application is for an incentive of \$775,446 for a multi-family and retail complex located at 70 Christopher Columbus Drive, Jersey City, NJ. The project will have an estimated 20% total energy savings, and an annual estimated energy cost savings of \$192,216 from the installation of high efficiency heating, ventilation and air conditioning equipment, high efficiency boilers and low flow water fixtures, insulation, efficient windows and glass doors above code, high-efficiency fluorescent lighting for apartments and building exterior, and Energy Star certified refrigerators and dishwashers. The project has an estimated incremental cost of \$1,051,420 with an estimated 1.4 year simple payback after factoring in the incentive.

Based on the certifications of Applied Energy Group and TRC Solutions, the Program Coordinator and Market Manager, respectively, Staff determined that these applications meet the eligibility criteria and recommended that the Board approve the applications.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye Commissioner Chivukula Aye C. Docket No. QW14101269 – In the Matter of the Petition for Waiver of N.J.A.C. 14:8-2.9(c) – William R. Warren.

BACKGROUND AND DISCUSSION: On October 3, 2014, William R. Warren (Petitioner) filed a request for a waiver from N.J.A.C. 14:8-2.9(c) and for the Board to reimburse him for the Solar Renewable Energy Certificates (SRECs) generated from December 2012 to May 2014 because he was unable to install a specified revenue grade meter until May 13, 2014. Mr. Warren claimed a hardship due to property damage repairs caused by Hurricane Sandy as the reason for not installing the proper SREC production meter by the December 4, 2012 due date.

On June 30, 2014, Staff sent Mr. Warren information on how customers affected by Super Storm Sandy could get a one month extension from complying with the revenue grade meter rule if he submitted the proper documentation. He was also told that Staff is not able to grant his request for SRECs where there is no reading from a required revenue grade meter. Staff found that the Petitioner had not met the criteria for a waiver and recommended that the Board deny the petition.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye
Commissioner Holden Aye
Commissioner Solomon Aye
Commissioner Chivukula Aye

D. Docket No. QS14040316 - In the Matter of Michael Manis and Manis Lighting,
 LLC - New Jersey Clean Energy Program Renewable Energy Incentive Program.

Marisa Slaten, Assistant Director, Division of Economic Development and Energy Policy, presented this matter.

BACKGROUND AND DISCUSSION: Michael Manis and Manis Lighting LLC (Manis) filed a motion for reconsideration with the Board seeking reversal of part of the Board's December 17, 2014 Order pertaining to the denial of incentives under the Commercial and Industrial Retrofit Program regarding The Brownstone House, Inc. project (Brownstone Project).

Staff found that Manis's motion failed to provide any legal or factual basis that would compel the Board to reverse or reconsider its December 17, 2014 decision to deny Manis payment of the New Jersey Clean Energy Program incentive for the Brownstone Project. Therefore, Staff recommended that the Board deny Manis's motion for reconsideration.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye
Commissioner Holden Aye
Commissioner Solomon Aye
Commissioner Chivukula Aye

Elizabeth Ackerman, RA+LEED AP, Acting Director, Division of Economic Development & Energy Policy, presented this matter.

E. Docket No. EO13020078V – In the Matter of Nautilus Sussex-Wantage Board of Education – Extension Request for Solar Renewable Energy Certificate Purchase Sale Agreement with Jersey Central Power & Light Company – (SRP-04900).

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. The Nautilus Sussex-Wantage Board of Education (SWBOE) filed a petition with the Board requesting an additional extension of time to complete the solar energy project under its Solar Renewable Energy Certificate (SREC) purchase and sale agreement (PSA) with Jersey Central Power and Light Company (JCP&L) for a solar system at SWBOE Middle School at 10 Loomis Avenue in Sussex, New Jersey. This request is for a second extension construction completion deadline to coincide with its actual June 2014 completion of a roof and canopy system, with a total project cost of approximately \$900,000, for which JCP&L issued a Level 2 interconnection approval in August of 2014.

Staff found that the delays caused by the severe winter weather and scheduling of school events referenced in the Nautilus Petition were unavoidable and unforeseeable at the time Nautilus entered in the its PSA with JCP&L as part of the SREC long-term financing program. Staff also found that due to the special circumstances in this case, and for good cause having been shown, that waiver of the SREC registration rules to reregister an expired project and of the rules governing the JCP&L SREC financing program is warranted in this limited instance.

Staff recommended that the Board grant the request for an extension of the deadline for completion of the Project under the PSA with JCP&L to June 26, 2014, with the right to earn SRECs commencing no earlier than August 8, 2014, and with JCP&L's obligation to purchase SRECs commencing no earlier that October 1, 2014. Staff recommended that the ruling in this matter be limited to the facts of this case and should not be considered as precedential.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye

F. Docket No. EO12090832V – In the Matter of the Implementation of <u>L.</u> 2012, <u>C.</u>24, The Solar Act of 2012;

Docket No. EO12090880V – In the Matter of the Implementation of <u>L.</u> 2012, <u>C.</u> 24 <u>N.J.S.A.</u> (Q) (R) and (S) – Proceedings to Establish the Processes for Designating Certain Grid-Supply Projects as Connected to the Distribution System; and

Docket No. QO13101020 - In the Matter of Brickyard, LLC.

Babette Tenzer, Deputy Attorney General, Division of Law, presented this matter.

BACKGROUND AND DISCUSSION: On March 3, 2014, Brickyard filed a motion for reconsideration of the Board's February 4, 2014 Order, which denied Brickyard's application under N.J.S.A. 48:3-87(q) (Subsection (q)) for approval as "connected to the distribution system" of a .362 Megawatt (MW DC) grid supply solar facility to be built at the same location as the previously approved 2 MW DC grid supply solar facility proposed for 100 Birdsall Road in Farmingdale, New Jersey. By Order dated July 23, 2014, the Board denied Brickyard's motion.

In April 2014, Brickyard filed an appeal of the February 4 and July 23 Orders which is currently pending before the Appellate Division (Subsection (q) Appeal). In November 2014, Brickyard also filed an appeal of the Board's Order dated October 31, 2014 setting the criteria and timing for a supplemental filing for applications which had been deferred for further consideration under Subsection (s), contending that the Subsection (s) process was prejudicial to applicants under Subsection (q). That appeal is also currently pending before the Appellate Division. On April 6, 2015, Brickyard and the Division of Law on behalf of Staff entered into negotiations and executed a Settlement Agreement (Settlement).

Part of the Settlement provides that, within two weeks of the effective date of Board approval, Brickyard will file a new Solar Renewable Energy Certificate Registration Program (SRP) registration package to reflect the additional .362 MW DC facility as a Phase II to the 2 MW DC solar project at the same location which was previously approved by the Board by Order dated August 21, 2013 and assigned SRP number 21356 (Phase I). The combined Phase I and Phase II (with an SRP number to be assigned) will total 2.362 MW DC. Phase I and Phase II will each comply with the Energy Year 2015 (EY15) requirements, and be independently completed using the same interconnection point previously approved for Phase I. Brickyard will also provide evidence of the funding of a recalculated escrow reflecting both Phase I and Phase II and the total 2.362 MW DC capacity of the solar project.

Staff recommended that the Board adopt the Settlement and approve the Project for designation as connected to the distribution system under Subsection (q) for Energy Year 15, provided that Brickyard complies with all of the requirements of Subsection (q) and that no later than 46 days after the effective date of Board approval, Brickyard causes the Subsection (q) and Subsection (s) Appeals to be dismissed with prejudice.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye Commissioner Chivukula Aye G. Docket No. QO14050489 – In the Matter of the Clean Energy Programs and Budget for Fiscal Year 2015 – Second Revised Fiscal Year 2015 Budget.

Elizabeth Ackerman, RA+LEED AP, Acting Director, Division of Economic Development & Energy Policy, presented this matter.

BACKGROUND AND DISCUSSION: This matter involved the proposed modifications to the Fiscal Year 2015 (FY15) budget for New Jersey's Clean Energy Program. By Order dated September 30, 2014 the Board approved compliance filings submitted by Honeywell, TRC the Office of Clean Energy and the Utilities which included a description of the programs and incentive levels, as well as detailed program budgets.

In March 2015, TRC submitted proposed modifications to its FY15 budget for several commercial and industrial (C&I) programs in order to meet the anticipated volume of applications through the remainder of the fiscal year. TRC proposed the transfer of \$5 million to the Direct Install program, \$2 million to the C&I Retrofit program and \$500,000 to the Pay-for-Performance – Existing Buildings program. TRC proposed transferring \$5 million from the Combined Heat & Power – Fuel Cell Program, \$1.5 million from the Large Energy Users program and \$1 million from the Pay-for-Performance – New Construction program. This request came to the Board because it exceeds the 10 percent threshold for delegated Staff authority to approve the reallocation.

Staff recommended that the Board approve the proposed reallocation of funds between program budget categories that are underperforming to those programs that will require additional funds to remain open to applicants through the fiscal year.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Ave

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye Commissioner Chivukula Aye

Marisa Slaten, Assistant Director, Division of Economic Development and Energy Policy, presented these matters.

H. Docket No. EO12090832V – In the Matter of the Implementation of <u>L.</u> 2012, <u>C.</u>24, The Solar Act of 2012; and

Docket No. EO12090862V – In the Matter of the Implementation of <u>L.</u> 2012, <u>C.</u> 24, <u>N.J.S.A.</u> 48:3-87(t) – A Proceeding to Establish a Program to Provide Solar Renewable Energy Certificates to Certified Brownfield, Historic Fill and Landfill Facilities; and

Docket No. QO14101129 – In the Matter of CleanLight Power and Energy, LLC – Patterson Avenue (Makrancy Farms Inc.) Landfill.

BACKGROUND AND DISCUSSION: This matter involved a petition by CleanLight Power and Energy, LLC (CleanLight) requesting the Board approval that the Patterson Avenue /Makrancy Farms, Inc. Landfill's 5 megawatt (MW DC) solar electric generation facility to be located on a landfill located in Hamilton Township, NJ be certified as eligible

for Solar Renewable Energy Certificates pursuant to Subsection (t) of the Solar Act of 2012.

Staff transferred the application to the Department of Environmental Protection, which determined that the property is not a properly closed sanitary landfill, as it has identified groundwater contamination and other environmental issues requiring the oversight of its Site Remediation Program.

Staff recommended that the Board deny approval certification for the Patterson Avenue/Makrancy Farms, Inc. Landfill under Subsection (t) as it is not located on land meeting the definition of a "properly closed landfill."

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye Commissioner Chivukula Aye

I. Docket No. EO12090832V – In the Matter of the Implementation of <u>L.</u> 2012, <u>C.</u>24, The Solar Act of 2012;

Docket No. EO12090862V – In the Matter of the Implementation of <u>L.</u> 2012, <u>C.</u> 24, <u>N.J.S.A.</u> 48:3-87(t) – A Proceeding to Establish a Program to Provide Solar Renewable Energy Certificates to Certified Brownfield, Historic Fill and Landfill Facilities; and

Docket No. QO14111330 - In the Matter of Public Service Electric and Gas Company - L&D Landfill.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. This matter involved L&D Landfill, where Public Service Electric and Gas and Company is the developer, for certification approval of a 13 megawatt (MW DC) solar electric generation facility to be located on a landfill located in Eastampton, Lumberton and Mount Holly Townships in Burlington County. Staff transferred the application to the Department of Environmental Protection (DEP), which determined that the property is a properly closed sanitary landfill, although there will still be some maintenance and monitoring that DEP will have to perform over the duration of the project.

Provided that the developer obtains all of the relevant DEP permits for construction, Staff recommended that the Board approve conditional certification for acceptance into the Solar Renewable Energy Certificates Registration Program, pursuant to Subsection (t) of the Solar Act.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye Commissioner Fiordaliso Ave

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye J. Docket No. EO12090832V – In the Matter of the Implementation of <u>L.</u> 2012, <u>C.</u>24, The Solar Act of 2012;

Docket No. EO12090862V – In the Matter of the Implementation of <u>L.</u> 2012, <u>C.</u> 24, <u>N.J.S.A.</u> 48:3-87(t) – A Proceeding to Establish a Program to Provide Solar Renewable Energy Certificates to Certified Brownfield, Historic Fill and Landfill Facilities; and

Docket No. QO14121408 – In the Matter of KDC Solar Green Power, LLC – B & J Warren & Sons Landfill.

BACKGROUND AND DISCUSSION: This matter involved B&J Warren & Sons Landfill, where KDC Solar Green Power, LLC is the developer, for certification approval of a 6.5 megawatt (MW dc) solar electric generation facility to be located on a landfill located in Monroe Township, New Jersey. Staff transferred the application to the Department of Environmental Protection, which determined that only 5.4 acres within the 79.1 acre site meets the definition of a "properly closed sanitary landfill."

Staff recommended that the Board limit the conditional approval to those portions of the proposed project that lie within the area qualifying for certification under Subsection (t) of the Solar Act and direct the applicant to revise its application such that all proposed capacity is limited to being located upon the 5.4 acres which constitute a properly closed sanity landfill within thirty days of the effective date of the Order and submit the appropriate Solar Renewable Energy Certificates Registration Program materials reflecting the location of the solar facility in relation to the capped landfill and associated reduction in capacity within fourteen days of submitting the revised application or forego the condition approval.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye
Commissioner Fiordaliso Aye
Commissioner Holden Aye
Commissioner Solomon Aye
Commissioner Chivukula Aye

K. Docket No. EO14080897 – In the Matter of the Petition of Public Service Electric and Gas Company to Continue Its Energy Efficiency Economic Extension Program on a Regulated Basis (EEE Extension II).

Paul Flanagan, Executive Director, presented this matter.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On August 8, 2014, Public Service Electric and Gas Company (PSE&G or Company) filed a petition with the Board seeking a second extension of the three subprograms from Energy Efficiency Economic Extension Program (EEE Extension I), with certain modifications (EEE Extension II), the Multi-Family Sub-Program, the Government/Non-Profit Sub-Program and the Hospital Sub-Program. Specifically, PSE&G proposed to offer up to \$95 million in the EEE Extension II program investment, plus approximately \$1.1 million in IT system enhancement costs, and \$13.7 million in administrative expenses.

Public Notice was provided and six public hearings on the Company's EEE Extension II filing were held on the following dates at three locations in PSE&G's service territory: two hearings on September 22, 2014, in Hackensack, New Jersey; two hearings on September 23, 2014, in New Brunswick, New Jersey; and two hearings on September 29, 2014, in Mt. Holly, New Jersey.

On September 30, 2014, the Board designated Commissioner Mary-Anna Holden as the Presiding Officer with the authority to rule on all motions that arose during the pendency of this case, and modify any schedules as necessary to secure a just and expeditious determination of the issues. The Order also authorized Commissioner Holden to grant a single extension of the Review Period if all parties so agreed.

By Order dated October 16, 2014, Commissioner Holden approved a procedural schedule in this matter. Pursuant to that procedural schedule, Rate Counsel filed its direct testimony on November 7, 2014 and PSE&G filed rebuttal testimony on November 21, 2014. Evidentiary hearings were conducted on December 4 and 5, 2014, where the Parties introduced their respective pre-filed testimony and exhibits. Additionally, all discovery responses were moved into evidence collectively as exhibit P-6, and witnesses were cross-examined. Pursuant to procedural schedule, the Parties were to file Initial Briefs on December 22, 2014 and Reply Briefs on January 7, 2015.

To provide additional time to complete the processing of the petition, on December 23, 2014, the Parties agreed to request an extension of the Review Period to February 23, 2015. Upon the submission of a stipulation, on December 26, 2014, Commissioner Holden issued an Order extending the briefing schedule to January 7, 2015 for Initial Briefs, and January 21, 2015 for Reply Briefs. Concurrently, the Parties initiated a new round of settlement efforts.

Based upon settlement discussions, the Board Agenda Meeting schedule, and the approved procedural schedule in this matter, the Parties agreed that an additional extension of the Review Period was appropriate. Accordingly, on January 30, 2015, the Parties entered into a stipulation to extend the Review Period (Extension Stipulation) to March 28, 2015 to allow time for continuing settlement discussions and a thorough review of the proposed EEE Extension II. On February 11, 2015, the Board adopted the Extension Stipulation, and extended the Review Period to March 28, 2015. To allow the Parties to finalize settlement discussions, the Board granted another extension to April

27, 2015 by Order dated March 18, 2015.

Staff recommended that the Board issue an Order adopting the Stipulation executed by the Signatory Parties and the modified programs as delineated in the stipulation. Staff also proposed that the Board direct PSE&G to file tariff sheets consistent with the Stipulation and Order within five business days from the date of service of the Order. Staff further recommended that the Company's rates remain subject to audit by the Board and that the Decision and Order not preclude the Board from taking any actions deemed to be appropriate as a result of any Board audit.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye

9. MISCELLANEOUS

A. Docket No. EG10100740 – In the Matter of the Energy Assistance Grants as Authorized Under <u>L.</u> 2009, <u>C.</u> 207 – Temporary Relief for Utility Expenses (TRUE) Program – Update.

Kenneth J. Sheehan, Secretary of the Board, presented this matter.

BACKGROUND AND DISCUSSION: This matter involved an update to the Board regarding the Temporary Relief for Utility Expenses (TRUE) grant which comes from Public Law 2009, Chapter 207. It was enacted in 2010 and allocated \$25 million of Societal Benefit Charge funding for natural gas and electric grants for those New Jersey households having temporary issues paying their bills.

The Board issued an availability of grant solicitation in 2011 in order to provide the funding to an appropriate non-profit organization for distribution. Following that competitive process, the Affordable Housing Alliance (AHA) was granted the \$25 million and a four-year contract. That contract expired on March 4, 2015, at which point AHA had disbursed approximately \$19 million of the \$25 million provided. Accordingly, approximately \$6 million remain available.

Staff recommended that the Board allow for the process to begin pulling together either a Request for Proposal or a grant proposal to make the \$6 million available in time for the winter heating season to allow for continued use of those funds.

LATE STARTERS

LSA. Docket No. EO15040450 - In the Matter of the Board's Investigation Into the Operations of Jersey Central Power & Light Company.

Paul Flanagan, Executive Director, presented this matter.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. This matter was an update on the Jersey Central Power and Light Company

(JCP&L) base rate case. As directed by the Board, Staff met a couple of times with a number of people in the different divisions of what Staff considered appropriate in terms of areas to look at the Company. Staff identified four areas: operations; finance; customer service; and then the result of the pending audit.

Staff requested the Board guidance of general parameter, then Staff would come back to a Board meeting and ask to approve various things which could include whether or not the Board should hire consultants, the role of rate counsel, and matter of that nature.

In operations, Staff suggested the distribution, operation, and maintenance of vegetation management and general maintenance. On finance, it would be corporate governance, capital allocation, credit quality, and dividends. With customer service, it would be complaints, shutoffs, restorations, day-to-day operations, and startup operations, how they communicate to the various entities.

LSB. Docket Nos. BPU GC13070636U and OAL PUC 13471-13 – In the Matter of Dianne Argila, Petitioner v. New Jersey Natural Gas Company, Respondent – OAL Request for Extension.

Christopher Psihoules, Deputy Attorney General, Division of Law, presented this matter.

BACKGROUND AND DISCUSSION: The record in this matter closed on August 27, 2014. By previous order of extension, the due date for issuing an initial decision was extended until April 13, 2015. Administrative Law Judge Elia A. Pelios requested additional time to complete the initial decision due to voluminous caseload.

Good cause having been shown, pursuant to <u>N.J.S.A.</u> 52:14B-10(c) and <u>N.J.A.C.</u> 1:1-18.8, Staff recommended the time for filing the initial decision be extended until May 28, 2015.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Mroz Aye

Commissioner Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye Commissioner Chivukula Aye

There being no further business before the Board, the meeting was adjourned.

DATE: May 19, 2015 IRENE KIM ASBURY BOARD SECRETARY